

Message Text

UNCLASSIFIED

PAGE 01 KINGST 04654 101131Z
ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-02 INR-10
L-03 NSAE-00 NSC-05 PA-02 SP-02 SS-15 ICA-20
EB-08 IO-14 AID-05 TRSE-00 OMB-01 INT-05 COME-00
/112 W

-----021545 111307Z /40

R 091800Z JUN 78
FM AMEMBASSY KINGSTON
TO SECSTATE WASHDC 1685
AMEMBASSY BRIDGETOWN
AMEMBASSY CARACAS
AMEMBASSY GEORGETOWN
AMEMBASSY NASSAU
AMEMBASSY PORT OF SPAIN
USINT HAVANA

UNCLAS KINGSTON 4654

E.O. 11652: N/A
TAGS: EAID, ECON, VE, JM
SUBJECT: VISIT OF VENEZUELAN PRESIDENT TO JAMAICA -
ECONOMIC ASPECTS

1. SUMMARY: VENEZUELAN PRESIDENT CARLOS ANDRES PEREZ MADE A TWO-DAY OFFICIAL VISIT TO JAMAICA JUNE 2-3. IT WAS ACCORDED THE HIGHEST LEVEL GOVERNMENT OF JAMAICA ATTENTION AND FULL MEDIA COVERAGE. HEADLINES IN THE JAMAICAN PRESS EMPHASIZED THE \$US20 MILLION IN BALANCE OF PAYMENTS SUPPORT TO BE PROVIDED BY VENEZUELA, EFFORTS TO DEVELOP STRONGER BUSINESS TIES AND ECONOMIC COOPERATION, AND PRESIDENT PEREZ' COMMITMENT TO THE NEW INTERNATIONAL ECONOMIC ORDER. END OF SUMMARY.

2. PRESIDENT PEREZ' OFFICIAL PARTY COMPRISED THE VENEZUELAN FOREIGN MINISTER, INTERNATIONAL ECONOMIC AFFAIRS MINISTER, EDUCATION MINISTER, AND INFORMATION AND TOURISM MINISTER,
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 KINGST 04654 101131Z

AS WELL AS THE PRESIDENTS OF THE PETROLEUM COMPANY OF VENEZUELA, THE FOREIGN TRADE INSTITUTION, THE VENEZUELAN INVESTMENT FUND AND THE VENEZUELA/GUYANA CORPORATION. A VERY LARGE CONTINGENT OF THE VENEZUELAN PRESS ACCOMPANIED THE OFFICIAL PARTY.

3. IN 1977 THE VENEZUELAN GOVERNMENT ESTABLISHED A FUND OF \$US50 MILLION WITH THE BANK OF JAMAICA FOR THE PURPOSE

OF LONG-TERM LOANS TO FINANCE DEVELOPMENT PROJECTS IDENTIFIED BY THE GOVERNMENT OF JAMAICA. OF THE ORIGINAL 50 MILLION DOLLARS, SOM 37 MILLION HAS BEEN CONVERTED INTO LONG-TERM LOANS, AND THE BALANCE WILL ALSO BE SO CONVERTED WITHIN THE NEXT FEW MONTHS. TO DATE, DEVELOPMENT PROJECTS HAVE INCLUDED IMPROVEMENT OF AIRPORT FACILITIES IN KINGSTON AND MONTEGO BAY, AND RURAL ELECTRIFICATION. THE FUNDS FOR VENEZUELAN ASSISTANCE WERE GENERATED BY VENEZUELA'S SALE OF PETROLEUM TO JAMAICA AND MADE AVAILABLE THROUGH THE VENEZUELAN INVESTMENT FUND. IN ADDITION, VENEZUELA IN 1977 OPENED A \$US30 MILLION LINE OF CREDIT FOR VENEZUELAN EXPORTS TO JAMAICA. THUS, THE JUST-ANNOUNCED 20 MILLION DOLLAR ASSISTANCE IS A CONTINUATION OF VENEZUELA'S PROGRAM OF ECONOMIC AID TO JAMAICA BUT DIRECTED TO JAMAICA'S CURRENT URGENT NEED FOR FOREIGN EXCHANGE. CURIOUSLY, THE PRO-GOVERNMENT JAMAICA DAILY NEWS HEADLINED THAT VENEZUELA "CONSIDERS 20 MILLION DOLLARS MORE", BUT THE VENEZUELAN EMBASSY CONFIRMED THAT THIS SUPPORT WAS FACT, NOT A MERE POSSIBILITY.

4. AT A PRESS CONFERENCE THE VENEZUELAN PRESIDENT INDICATED HIS COUNTRY'S WILLINGNESS TO ASSIST IN JAMAICA'S REFORESTATION PROGRAM, EXPANSION OF CEMENT PRODUCTION, AND A BAUXITE-ALUMINA PROJECT. IN 1977 VENEZUELA SIGNED A SEVEN-YEAR PURCHASE CONTRACT WITH JAMAICA FOR BAUXITE. DESPITE THE RECENTLY DISCOVERED LARGE BAUXITE DEPOSITS IN VENEZUELA, THE GOVERNMENT OF VENEZUELA STATED ITS INTENTION TO HONOR ALL COMMITMENTS ON UNCLASSIFIED

UNCLASSIFIED

PAGE 03 KINGST 04654 101131Z

THIS AGREEMENT, WHICH RUNS TO 1985. AFTER THE WITHDRAWAL OF THE MEXICANS FROM THE PLANNED JAVEMEX ALUMINA PLANT PROJECT, THE JAMAICANS ARE NATURALLY INTERESTED IN ALL POSSIBLE INITIATIVES WHICH WOULD PUT JAMEMEX BACK ON THE TRACK. THE VENEZUELAN MADE NO COMMITMENTS ON THIS. PRESIDENT PEREZ EXPRESSED THE HOPE THAT TRINIDAD PRIME MINISTER ERIC WILLIAMS WOULD SOON MAKE A DECISION IN WHICH TRINIDAD WOULD COOPERATE WITH OTHER CARIBBEAN COUNTRIES IN ALUMIMUM SMELTERING. PEREZ ALSO TOLD A PRESS CONFERENCE THAT HIS GOVERNMENT WAS STUDYING HOW IT COULD HELP JAMAICA SET UP A NEW 600,000 TON CEMENT PLANT WITH POSSIBLE VENEZUELAN PARTNERSHIP, BUT NO DETAILS WERE PROVIDED.

5. AN AGREEMENT WAS SIGNED TO FORM A JAMAICA-VENEZUELA COMMITTEE FOR BUSINESS OWNERS FROM BOTH COUNTRIES WITH THE AIM TO DEVELOP RELATIONS IN ECONOMIC COOPERATION AND IN FINANCIAL AND TECHNICAL MATTERS, AND THEREBY ADVANCE LATIN-AMERICAN INTEGRATION. THIS MIXED COMMITTEE WILL MEET IN CARACAS IN THE FIRST HALF OF SEPTEMBER TO DISCUSS POSSIBILITIES FOR COOPERATION IN VARIOUS FIELDS.

6. COMMENT WILL FOLLOW IN SEPTTEL.

IRVING

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC COOPERATION, HEAD OF GOVERNMENT VISITS
Control Number: n/a
Copy: SINGLE
Draft Date: 09 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978KINGST04654
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780244-0426
Format: TEL
From: KINGSTON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780677/aaaacohw.tel
Line Count: 117
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 14e4428c-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2419973
Secure: OPEN
Status: NATIVE
Subject: VISIT OF VENEZUELAN PRESIDENT TO JAMAICA - ECONOMIC ASPECTS
TAGS: EAID, ECON, OVIP, VE, JM, (PEREZ, CARLOS ANDRES)
To: STATE BRIDGETOWN
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/14e4428c-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014